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OIL AND GAS LEASE

STATE OF TEXAS                   §  
   §  
COUNTY OF TARRANT         §

THIS OIL AND GAS LEASE is made and entered into this 4 day of September, 2008, by and between VELMA LEWIS, as Lessor, whose address is 4800 Veterans Drive, Dallas, Texas 75216, and RANGE TEXAS PRODUCTION, L.L.C., a Delaware Limited Liability Company, as Lessee, whose address is 100 Throckmorton Street, Suite 1200, Fort Worth, Texas 76102.

WITNESSETH:

1. That Lessor, in consideration of Ten and No/100 Dollars (\$10.00) cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, and of the royalties herein provided and of the agreements of Lessee hereinafter contained, hereby grants, leases, and lets exclusively unto Lessee for the sole purpose of drilling, operating and producing oil, gas and liquid hydrocarbons from the lands which are more fully described in Exhibit "A" attached hereto and made a part hereof for all purposes, INSOFAR AND ONLY INSOFAR as such lands cover all rights, depths and formations from the surface of the earth down to 100 feet below the base of the Barnett Shale Formation beneath such lands, which lands, down to such depth, are sometimes hereinafter referred to collectively as "Said Land". For purposes of calculating any royalty, shut-in royalty, and any other payments herein provided, Said Land is deemed to contain 72.75 acres, whether it actually contains more or less. From time to time, Lessee may determine that all, or some part, of Said Land should be more specifically described, and in such event, Lessor agrees to execute any substitute lease, or correction instrument, necessary to properly describe and identify Said Land.

2. Subject to the other provisions herein contained, this lease shall be for a term of three (3) years from the date hereof (called "primary term") and as long thereafter as oil, gas or liquid hydrocarbons, individually or collectively, is produced in paying quantities from Said Land or land with which Said Land is properly pooled hereunder, or drilling or reworking operations are conducted thereon, as provided herein. Lessee agrees that the bonus consideration to be paid for the execution of this lease, as well as the bonus consideration to be paid for the extension of the primary term, must be paid by a check and not by draft.

If, at the end of the Primary Term, or at any time or times thereafter, there is located on Said Land, or on land pooled therewith, a well capable of producing gas in

paying quantities, but the gas is not being sold due to lack of market, and this Lease is not being otherwise maintained in force, Lessee shall pay or tender by check or draft of Lessee to Lessor's depository set forth below, as royalty, at annual intervals, a sum of Fifty and No/100 Dollars (\$50.00) per net acre to the parties who at the time of such payment would be entitled to receive royalties hereunder and if such payment is made or tendered, it will be considered that gas is being produced from Said Land in paying quantities within the meaning of Paragraph 2. of this Lease during any period for which such payment is made. In the event Lessee elects to maintain this Lease in force and effect by the payment of shut-in gas royalty as herein provided, the first of such payments shall be made no later than Ninety (90) days after the date the well is shut-in or the Lease is not otherwise maintained, whichever is later, and subsequent payments will be due annually thereafter (if this Lease is not being otherwise maintained in force) on the anniversary date of the period for which the prior payment was made. Upon proper and timely payment or tender of royalty under this paragraph, it will be considered that gas is being produced under Paragraph 2. of this Lease.

All shut-in royalty due and payable under this lease shall be paid directly to Lessor at the address stated herein. The Lease may not be maintained in force by the payment of shut-in royalty for more than Two (2) years, or separate periods aggregating two (2) years, after the end of the Primary Term, except as follows.

3. The royalties to be paid Lessor are:

(a) Oil Royalty. On oil (including any other liquid hydrocarbons) the sum of one-fourth (1/4) of the value of the gross production, said value to be based on the market value for oil sold in the area. Lessor shall, however, always have the right to receive its oil in kind by giving Lessee 30 days advance written notice of the exercise of such right. Lessee shall, until it receives such 30 days advance written notice from Lessor, sell or purchase Lessor's royalty oil in Lessee's possession upon the terms and conditions aforesaid. The royalties to be paid Lessor on oil shall be free and clear of all of the costs and expenses of exploration, development, operation, production, gathering, transportation, treating, compression or marketing said oil.

(b) Gas Royalty.

(1) Gas Processed by Third Parties. If gas (which term "gas" includes casinghead gas) produced from Said Land is processed in a hydrocarbon recovery plant for the recovery of liquid and/or liquefiable hydrocarbons therefrom, and if such plant is not owned in whole or in part by Lessee or by any subsidiary or affiliate of Lessee, and if Lessee or any subsidiary or affiliate of Lessee receives plant products or revenue attributable thereto or other benefits therefrom, then Lessor shall receive one-fourth (1/4) of all such plant products, revenue and other benefits received by Lessee or any subsidiary or affiliate of Lessee attributable to gas produced from Said Land; and, in addition thereto, Lessor shall be paid as royalty the amount realized by Lessee at the point of sale or use of one-fourth (1/4) of all residue gas sold or used.

(2) Gas Processed by Lessee. If gas produced from Said Land is processed in a hydrocarbon recovery plant for the recovery of liquid and/or liquefiable hydrocarbons, and if such plant is owned in whole or in part by Lessee or by any subsidiary or affiliate of Lessee, then Lessor shall have and be entitled to a royalty of one-fourth (1/4) of all products of every kind extracted, absorbed, separated or saved from said gas, to be delivered free of cost to Lessor, either at the hydrocarbon recovery plant or to Lessor's credit into the pipeline to which such plant may be connected, at Lessor's election, and, in addition, Lessor shall be paid as royalty the amount realized by Lessee at the point of sale or use of one-fourth (1/4) of all residue gas sold or used.

(3) Gas Not Processed. Lessee agrees that all gas (including casinghead gas) produced from Said Land and not processed in a hydrocarbon recovery plant, as provided in Paragraphs 3.(b)(1) or 3.(b)(2) above shall, before the same is sold or used for any purpose or is transported from Said Land, be passed through a low temperature extraction unit (known as "LTX" Unit); provided, if an LTX Unit is not economically feasible such gas shall be passed through a separator system situated on Said Land, and such LTX Unit or separator system above provided, as the case may be, shall be designed and operated to effect the maximum economical recovery of liquid and liquefiable hydrocarbons therefrom; and on all condensate, distillate, natural gasoline, kerosene, and all other hydrocarbons and products and any mixture of liquid and liquefiable hydrocarbons produced with gas from Said Land and saved by being condensed or absorbed from or separated from such gas by means of such LTX Unit or separator system, or by any other method, Lessor shall have and be entitled to a royalty of one-fourth (1/4) of that so produced and saved, the same to be delivered free of costs, at Lessor's election, either at the well or to the credit of Lessor into the pipeline to which the well or wells may be connected; and in addition, if such gas is not thereafter processed, and if the same is sold or used, Lessor shall be paid as royalty the amount realized by Lessee at the point of sale or use of one-fourth (1/4) of all such gas sold or used but if such gas, after having passed through such LTX Unit, separator system, or other facilities, is thereafter processed, the royalty provisions of Paragraphs 3.(b)(1) or 3.(b)(2) hereof shall also apply to such gas, and royalties shall be paid to Lessor thereon in accordance with such provisions.

(4) Other Gas. On all gas (including casinghead gas, gas flared in violation of any statute, rule or order and other substances, including helium produced from the leased premises and sold or used) for which no royalty is otherwise specified in this lease, Lessor shall be paid as royalty the amount realized by Lessee at the point of sale or use of one-fourth (1/4) of all such gas sold or used or flared.

(5) "Market Value" Limitations. If and as long as the first sale of any gas produced hereunder is subject to any maximum lawful price under the Natural Gas Policy Act of 1978 or any successor legislation or regulation, the "market value" of such gas for purposes of this Section shall never be greater than the maximum lawful price on the date produced for which the gas could qualify under such Act; and (b) if and as long as the first sale of any gas produced hereunder is not subject to any maximum lawful price under the Natural Gas Policy Act or any successor legislation or regulation, the "market value" of such gas shall never be less than the highest price received each month by Lessee (or any successor or assignee of any interest of Lessee in the leased premises) for the first sale by Lessee (or any successor or assignee of Lessee) of any gas produced in the general area, prior to any deductions for location differentials or expenses of production, gathering, dehydration, processing, treating, compressing, transporting or marketing said gas.

(c) Sulphur Royalty. This lease is intended to cover only oil and gas, but it is contemplated that some sulphur may be produced necessarily with and incidental to the production of oil or gas from Said Land, and, in such event, this lease shall also cover such sulphur so produced; and on all such sulphur so produced under and by virtue of the terms of this lease, Lessor shall have and be entitled to a royalty of one-fourth (1/4) of all such sulphur so produced and saved, such one-fourth (1/4) sulphur royalty shall be sold by Lessee with Lessee's portion of such sulphur produced and saved from Said Land, and at the same prices received for Lessee's portion of such sulphur produced and saved from Said Land, or, at Lessor's election, same to be delivered to Lessor as royalty, free of all costs.

(d) Royalty Free of Certain Charges. Lessor's royalty will never bear, either directly or indirectly, any part of the costs or expenses of pre- and post-production, production, separation, gathering, dehydration, compression, transportation, trucking, processing, treatment, storage or marketing of the oil or gas produced from Said Land incurred prior to the sale of such oil and gas to the first non-affiliate of Lessee, or any part of the incurred cost of construction, operation or depreciation of any plant or other facilities or equipment used in the handling of oil or gas from Said Land. It is the intent and understanding of the parties that the foregoing provisions of this paragraph are to be fully effective and enforceable and are not to be construed as "surplusage" under the principles set forth in *Heritage Resources v. NationsBank*, 939 S.W.2d 118 (Tex. 1996). Notwithstanding anything to the contrary, Lessor's royalty will bear its pro rata share of transportation charges for downstream transportation, provided the charges are made by a company which is not an affiliate of, or a related party to, Lessee, and provided they do not exceed an amount reasonably commensurate with charges by non-affiliated entities to unrelated operators in the area of Said Land.

(e) Timely Payment of Royalty. Accounting and payment to Lessor of royalties from the production of oil and gas as herein provided shall commence no later than 120 days after the first sale or removal from Said Land, or on land properly pooled therewith, of any oil or gas produced. Thereafter, unless otherwise specifically provided herein, all accounting and payments of royalties shall be made on or before the last day of the second calendar month following the calendar month in which the production occurred. Unless otherwise herein expressly provided, any royalties or other payments provided for in this lease which are suspended or not paid to Lessor within the time period specified therefor shall accrue interest at the maximum rate permitted by law, from the due date until paid. Acceptance by Lessor, its successors, agents, or assigns, of royalties which are past due shall not act as a waiver or estoppel of its right to receive or recover any and all interest due thereon under the provisions hereof, unless the written acceptance or acknowledgement by Lessor to Lessee expressly so provides. Any tender or payment to Lessor of a sum less than the total amount due to Lessor hereunder which is made or intended to be made as an offer of settlement or accord by or on behalf of Lessee, its agents, successors, or assigns, must be accompanied by a Notice of Settlement Offer, so denominated, addressed to Lessor's address set out on page one (1) of this lease (or such other address as shall be specified by written notice to Lessee). Any such offer of settlement submitted solely by the tender of a check containing language of settlement or accord printed or otherwise inserted thereon shall not be deemed an offer of settlement or accord, unless preceded or accompanied by such Notice of Settlement Offer.

(f) Right to Take in Kind. Notwithstanding any provision of this Paragraph 3. to the contrary, Lessor shall have the right and option, but not the obligation, to take in kind Lessor's royalty share of all oil and/or gas produced under the terms of this lease and to separately market such oil and/or gas for Lessor's own account. Lessor's option may be exercised at any time and from time to time by Lessor giving Lessee not less than 30 days advance written

notice. Lessee agrees that all gas contracts executed by Lessee and covering any gas produced under the terms of this lease shall include a reference to Lessor's right to take in kind and separately market Lessor's royalty share of gas production and shall expressly provide that such gas contract shall not cover such royalty gas at any time and from time to time when Lessor exercises such right. In the event Lessor elects to take in kind and separately market Lessor's royalty gas, Lessee agrees to deliver such gas to Lessor at the well site after separation and dehydration has been completed or at the tailgate of any plant constructed on Said Land at Lessor's choice. All costs and expenses for the installation of surface facilities and equipment to transport the gas from the well head to the sales line attributable to Lessor's election to separately market Lessor's royalty share of gas production shall be borne by Lessee. If Lessor elects to take its share of gas in kind, Lessor and Lessee shall enter into a mutually acceptable balancing agreement providing for balancing of gas production between Lessor and Lessee. Should Lessor elect not to take in kind its royalty portion of any oil and/or gas produced hereunder after having done so, Lessor shall notify Lessee of Lessor's desire to no longer take said royalty in kind and it shall be Lessee's obligation to market said production for Lessor and to pay Lessor's royalty according to the terms and provisions of this lease.

(g) Take or Pay Gas Contracts. In the event Lessee enters into a gas purchase contract which contains what is commonly referred to as a "take or pay provision" (such provision meaning that the gas purchaser agrees to take delivery of a specified minimum volume or quantity of gas over a specified term at a fixed price or to make minimum periodic payments to the producer even though gas is not being delivered to the purchaser) and the purchaser under such gas purchase contract makes payments to the producer by virtue of such purchaser's failure to take delivery of such minimum volume or quantity of gas, then Lessor shall be entitled to one-fourth (1/4) of all such sums paid to Lessee or producer under the "pay" provisions of such gas purchase contract. Such royalty payment shall be due and owing to Lessor within 30 days after the receipt of such "payments" by Lessee. If gas purchaser "makes up" such gas within the period called for in the gas contract and Lessee is required to give such purchaser a credit for gas paid for but not taken, then Lessor's royalty on future gas delivered to such purchaser shall not be credited with any payments for the make-up gas. If Lessee is not producing gas from Said Land, but is receiving payments under the "pay" portion of such "take or pay" gas purchase contract provision, such payments shall not relieve Lessee of the duty to make shut-in royalty payments if Lessee desires to continue this lease, but such royalty payment shall be applied as a credit against any shut-in royalty obligation of the Lessee. Lessor shall be a third-party beneficiary of any gas purchase contract and/or transportation agreement entered into between Lessee and any purchaser and/or transporter or pipeline company irrespective of the provisions of said contracts to the contrary. Further, Lessor shall be entitled to one-fourth (1/4) of the value of any benefits obtained by or granted to Lessee from any gas purchaser and/or transporter for the amendment, modification, extension, alteration, consolidation, transfer or cancellation of any gas purchase contract and/or transportation agreement.

(h) Division Orders. Division Orders, if signed by the Lessor, shall not be construed as modifying or amending this lease.

4. This is a paid up lease and there are no delay rental payments.

5. Lessor and Lessee understand, acknowledge and agree that the following provisions shall apply:

(a) If after the expiration of the primary term, all production of oil or gas from Said Land, or from land properly pooled therewith, should at any time cease for any cause and shut-in royalty payments are not timely made, this lease shall continue in effect as to Said Land for a period of ninety (90) days from cessation of production, and may only be continued thereafter on the condition that if

Lessee commences drilling operations on Said Land, or on land properly pooled therewith, within said ninety (90) day period, this lease shall continue in effect as to such land as long as drilling operations are prosecuted with reasonable diligence, in a good faith manner, with no cessation of more than ninety (90) consecutive days, and thereafter as long as oil or gas is produced in paying quantities from Said Land, or from land properly pooled therewith, subject to the provisions of Paragraph 5.(d) below.

(b) As to Said Land, or to land properly pooled therewith, if at the expiration of the primary term hereof no oil or gas is being produced therefrom, but Lessee is then engaged in drilling operations thereon, or on land properly pooled therewith, this lease shall continue in effect as to such land in the manner.

(c) The term "drilling operations" whenever used in this lease shall mean and include actual drilling of a well; reworking operations; and deepening, plugging back, cleaning out, repairing, or testing of a well being conducted with equipment customarily used in the industry for such operations, in a prudent manner, with reasonable diligence and in a bona fide good faith effort to obtain or restore the production of oil or gas in paying quantities. For all purposes of this lease:

(1) The day of commencement of drilling operations on a well shall be that day upon which the surface of the earth is penetrated by the drilling bit;

(2) The completion date of a well which results in production in paying quantities shall be that day upon which the tubing has been run;

(3) The completion date of a well which results in a dry hole and is abandoned shall be the day upon which the plug is set; and

(4) As to all other operations on a well, the date of commencement of the applicable operation shall be the date on which the equipment required to conduct such operation in the manner specified herein has been installed on the well and the actual operation thereof has commenced; and the completion or cessation of any such operation shall be deemed to have occurred on the earlier of the date such operations are discontinued or the date such reworking or drilling equipment is removed from the well.

(d) Lessee understands, acknowledges and agrees that any well which is drilled into the Barnett Shale Formation for purposes of producing from such formation shall be a horizontal well and not a vertical well.

6. This lease does not include, and there is hereby excepted and reserved to Lessor, all of the coal, lignite, uranium, and other fissionable materials, geothermal energy (including entrained methane, hydrostatic pressure, and thermal energy), base and precious metals, and any other mineral substances (excepting only oil, gas and liquid hydrocarbons produced therewith which is expressly covered by this lease) presently owned by Lessor in, under or upon Said Land. Lessor and Lessee shall each conduct their respective operations on the leased premises so as to not unreasonably interfere with the operations or activities of the other.

7. Lessee may not assign or otherwise transfer operations under this lease without the prior written consent of Lessor, which consent may not be unreasonably denied; provided, however, that Lessee shall have the right to assign any portion of this

lease to its officers, directors and/or subsidiaries without such consent. The interest of Lessor hereunder may be assigned, mortgaged or transferred in whole or in part, but no change or division in ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder. No change in ownership permitted hereunder shall be binding upon either party hereto until thirty (30) days after the other party has been furnished the original or certified or duly authenticated copies of the documents evidencing such change of ownership. The parties acknowledge and agree that the rights and obligations of the parties hereunder shall extend to their respective successors and assigns.

8. Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder (other than any covenant or agreement which relates to the payment of money) due to force majeure, and upon Lessee giving notice and full particulars of such force majeure in writing or by telegraph to Lessor as soon as possible after the occurrence of the cause relied on, the obligations of Lessee, so far as they are affected by force majeure, shall be suspended during the continuance of any inability so caused by such force majeure and for a period of 60 days thereafter; and such cause shall, as far as possible, be remedied with all reasonable dispatch. The term "force majeure" as used herein shall mean any act of God, including, but not limited to, storms, floods, earthquakes, landslides, lightning or any other cause beyond the reasonable control of Lessee, such as wars, riots or insurrections. This lease is expressly made subject to, and Lessee in its operations hereunder shall comply with all applicable requirements of, all federal and state laws, and all rules and regulations of any governmental agency, state or federal, having jurisdiction of the premises, and nothing herein contained shall be construed as requiring Lessee to violate any such laws, rules, or regulations or to penalize Lessee for complying therewith. If Lessee is required, ordered, or directed by any federal or state law, or any order, rule or regulation of any governmental authority, to cease drilling, reworking, or producing operations on Said Land, or if Lessee by force majeure is prevented from conducting such operations, then until such time as such law, order, rule, regulation, or force majeure is terminated, and for a period of 120 days after such termination, each and every provision of this lease or implied covenant arising thereunder that might operate to terminate this lease, or the estate conveyed by it, shall be suspended and inoperative and this lease shall continue in full force and effect during such period; provided, however, that in no event shall the term hereof be extended for a cumulative period of more than two (2) years solely by reason of this paragraph.

9. Upon receipt of written request from Lessor, Lessee agrees to promptly furnish to Lessor, or to its authorized representatives, full and complete information, as soon as it is available to Lessee, with respect to: (a) all drilling, testing and completion operations on Said Land, or on land properly pooled therewith, and the production of oil, gas, liquid hydrocarbons, and their respective constituent products therefrom, including, but not limited to, daily drilling reports, results of drill stems and any other tests and copies of all mud and electrical logs, and (b) all information regarding the sales of oil, gas, liquid hydrocarbons, and their respective constituent products produced hereunder. All such information shall be kept confidential by Lessor and its authorized agents or representatives. Lessor and its representatives shall have the right twice a year and at Lessor's sole expense during regular business hours at Lessee's offices to inspect, examine and make copies of, and extracts from, all of Lessee's books, records, accounts, contracts, commitments and agreements that relate to Said Land or to land properly pooled therewith, operations thereon, or production therefrom (including without limitation, the information referred to above).

10. Without limiting the foregoing, if Lessor's interest in the oil, gas or other hydrocarbons covered by this lease in, on, and under Said Land is less than the undivided fee simple estate to the entirety thereof, then Lessor agrees that the royalties and shut-in payments provided for in this lease shall be paid to Lessor in the proportion which Lessor's interest bears to the entire and undivided fee simple estate therein. Lessee at its option may discharge any tax lien upon Lessor's interest in the land covered by this lease (unless such tax lien is being contested in good faith by Lessor by appropriate proceedings instituted for such purpose).

11. It is agreed that neither this lease nor any terms or provisions hereof shall be altered, amended, extended, or ratified by any division order or transfer order executed by Lessor, its successors, agents, heirs or assigns, but that any division orders or transfer orders shall be solely for the purpose of confirming the extent of Lessor's interest in production of oil and gas from Said Land, or from land properly pooled therewith. Any amendment, alteration, or ratification of this lease or of any term of provision of this lease shall be made by an instrument in writing clearly denominated as to its purpose and effect, describing the specific terms or provisions of the lease affected and the proposed change or modification thereof, and must be executed by the party against whom any such amendment, alteration, extension, or ratification is sought to be enforced, and any purported amendment, alteration, extension, or ratification not so denominated and executed shall be of no force and effect.



12. Any notice or other communication permitted or required under the terms hereof shall be in writing and, unless otherwise specified, be deemed properly given on the date personally delivered or on the date post marked if mailed, postage prepaid United States registered mail, return receipt requested, addressed to Lessor or Lessee, as the case may be, at the address set forth at the commencement of this lease, or to such other address as may hereafter be designated by either party to the other in writing.

13. Upon expiration or termination of this lease for any reason as to all or any portion of Said Land, Lessee shall be obligated at its expense promptly to prepare, execute and file in the public records in the County in which such land, or portion thereof, is located an appropriate release instrument covering all or such portion of Said Land, and to forward a copy of same as so recorded to Lessor within 30 days after such expiration or termination date.

14. There is no Paragraph 14.

15. Lessee may at any time and from time to time, as to any one or more stratum or strata, pool and unitize Said Land or any portion thereof with other land(s) or lease(s) in the immediate vicinity of Said Land in order to form, or from time to time re-form, either before or after operations are commenced, an oil or gas well or wells is completed, or production is obtained, a unit or units not to exceed 40 acres for oil plus an acreage tolerance of 10% and 320 acres for gas plus an acreage tolerance of 10%; provided, however, if units larger than the foregoing are prescribed by the rules or

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regulations of the Railroad Commission of Texas, or other lawful authority having jurisdiction of such matters, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled or already drilled, then any such unit may be established or enlarged to conform to the size allowed by such rules or regulations. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the Lease is pooled or combined as to any other strata or stratum. No pooling or unitization shall be effective unless Lessee executes and places of record in the county in which Said Land are located a written instrument or instruments designating the unit or units it has elected to form. Lessee shall promptly send to Lessor a true and correct copy of each recorded instrument. Each unit shall be effective as to all parties hereto, their heirs, successors and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty or other rights in land included in such unit. Production or operations on any part of the pooled unit or units shall be treated for all purposes, except the payment of royalty, as production or operations on Said Land, whether or not the well or wells are located on Said Land. The entire acreage constituting such unit or units shall be treated, except for the payment of royalties on production from the pooled unit, as if it were included in this lease. For the purpose of computing royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas from each pooled unit, there shall be allocated to the land covered by this Lease and included in said unit (or to each separate tract within the unit if this Lease covers separate tracts within the unit) a pro rata portion of the oil or gas produced from the unit after deducting that used for operations on the unit. Such allocation shall be on an acreage basis – that is, there shall be allocated to the acreage covered by this Lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil or gas produced from the unit which the number of surface acres covered by this Lease (or in each separate tract) and included in the unit bears to the total number of surface acres included in the unit. As used in this paragraph, "separate tract" means any tract with royalty ownership differing, now or hereafter, whether as to parties or amounts, from that as to any other part of Said Land. In the event that Lessee exercises its right to pool, then Lessee agrees that it must include all of Said Land in such pooled unit. Further, notwithstanding anything stated in this paragraph to the contrary, in the event Lessee exercises its right to reform any pooled unit, Lessee agrees that all of Said Land that was originally included in the pooled unit must remain in and be included as a part of the reformed Unit.

16. This lease is executed by Lessor without any representations or warranties (of title or otherwise), either statutory, express or implied.

17. Lessee shall have the right to use of water from Said Land (except water from Lessor's wells, canals, reservoirs, or from tanks, ponds, lakes, rivers, streams, or springs, located on Said Land) for all operations hereunder and solely upon Said Land, provided that no surface water or underground fresh water will be used for water flood or pressure maintenance operations. Lessee shall comply with applicable state and federal rules and regulations in disposition of salt water, brine or other fluids utilized in or resulting from operations, and shall not cause or permit any such substances to damage or pollute the surface of Said Land, or any fresh water sands lying thereunder. Lessee shall not have the right to locate a saltwater or other disposal well on Said Land or to dispose of any deleterious substances in pits constructed or located on Said Land. Lessee shall have the right at any time within 180 days after the expiration of this lease, provided Lessee is not in default hereunder, to remove all property and fixtures placed by Lessee on Said Land including the right to draw and remove all casing except casing in water wells. The failure of Lessee to remove such property or fixtures within such 180 day period shall be a waiver of all of Lessee's right, title and interest in and to such property and fixtures which shall become the sole property of Lessor from and after the one hundred eighty-first (181st) day. Lessee shall cause all water wells drilled to have surface casing of heavy pipe, set in concrete with a steel removable cap installed. Lessee shall do nothing that will in any way damage any such water well or prevent its future use by Lessor; provided, however, if Lessor so elects in writing, Lessee agrees to remove the casing from and abandon water wells at Lessee's sole cost and expense. In the event geophysical exploratory operations are conducted on Said Land, all shot holes will be kept a sufficient distance away from Lessor's house, water wells and buildings, so as not to cause any damage to such house, water wells or buildings, and Lessee shall promptly plug all shot holes with good and sufficient concrete plug(s) set below plow depth level, and the surface of Said Land shall be restored to as good condition as it was in before the commencement of such operations.

18. Lessee further covenants and agrees to the following:

(a) Lessee agrees to line all pits dug on Said Land that hold anything other than fresh water.

(b) Lessee is to place adequate culverts where all roadway crossings used by Lessee in its operations hereunder impede the drainage of Said Land and the adequacy of such drain tile installations is to be determined by Lessor, or its duly authorized representative, and all such culverts shall remain in place and become the property of Lessor at the termination of this lease, unless otherwise directed by Lessor in writing.

(c) Lessee shall maintain, at Lessee's sole cost and expense, all roads used by Lessee with rock or gravel at least four (4) inches compacted and leave same in such condition when finished with the use thereof. Lessee shall have the right to use any existing roads, and shall only have the right to build new roads in compliance with the foregoing sentence, which roads must be approved in writing by Lessor both as to type and location prior to construction of such roads. If, during the course of conducting operations on Said Land, dust becomes a problem or a danger, then Lessee agrees, upon receipt of written notice from Lessor, to take adequate action as a reasonable and prudent operator to limit the amount of dust produced in that portion of Said Land where the worst dust problems are occurring. All roads located on Said Land utilized by said Lessee herein shall have posted by Lessee at the entry point and at the exit point of such road a speed limit sign with a maximum speed limit of 20 mph. Lessee agrees to survey, plat and to pay to Lessor the sum of \$20.00 per rod of Said Land, or portion thereof, used for road(s) as damages to the surface of such land within 120 days of completion of construction of such road(s). All road material and like improvements including, but not limited to, gravel, cattle guards, gates, bridges and culverts once placed on Said Land shall become the property of Lessor at the termination of this lease.

(d) No well, tank battery or other surface production or marketing facility of Lessee shall be located within three hundred (300) feet of any residence, corral, barn, water well or tank on Said Land without the prior written consent of Lessor. The location of each well, tank battery, road and right-of-way for a pipeline or flow line shall use only so much of the surface of Said Land as is necessary to conduct operations under this agreement in a reasonable and prudent manner.

(e) Reasonable care shall be taken by Lessee to prevent erosion of Said Land resulting from any of its operations hereunder. Lessee agrees to repair any damages to terraces which may be occasioned through its operations hereunder. All power improvements including, but not limited to, power lines and poles once placed on Said Land shall become the property of Lessor at the termination of this lease if Lessor so elects in writing.

(f) Lessee shall construct and maintain fences around each site of Lessee's surface facilities (including, but not limited to, tank batteries and slush pits) sufficient to keep all cattle and other livestock out of such sites. Lessee shall promptly install cattle guards (10 feet x 24 feet) with locking arm along with a side metal gate (16 feet wide) capable of turning cattle and other livestock at all openings and fences crossed by Lessee in conducting its operations. All cattle guards and fences on the boundary of Said Land shall contain a metal locking arm or gate and shall be kept locked at Lessor's request and a key furnished to Lessor. All gates shall be kept closed at all times when not actually in use. All openings in fences shall be made by using four inch (4") pipe "H" braces on both sides of the opening and shall be secured by setting in concrete at least three feet (3') deep.

(g) All gathering lines if any, constructed by Lessee on Said Land shall be buried not less than three (3) feet below the surface of the earth and shall be constructed and/or laid if reasonable, in such a manner as not to interfere with Lessor's use of the surface of Said Land. Lessee agrees to survey, plat and to pay to Lessor the sum of \$20.00 per rod of gathering line installed as damages to the surface within 120 days after the completion of construction of said gathering line. Lessor and Lessee understand and agree that Lessor does not convey or grant to Lessee the right to lay or construct any transportation pipeline on, over or through Said Land. The right of Lessee, or any third party, to lay or construct any transportation pipeline shall be covered by a separate written agreement. Any and all pipelines constructed on or across the leased premises shall be for the sole purpose of, and shall not exceed the size necessary for, gathering and

transporting oil, gas and any related constituent products thereof produced solely from Said Land, or from land properly pooled therewith.

(h) Lessee shall at all times use reasonable care in all of the Lessee's operations on Said Land to prevent injury or damage to the cattle, livestock, buildings or other property of Lessor, or Lessor' tenant situated on the surface of Said Land, or Lessor's water wells and tanks located thereon, and Lessee shall pay Lessor and Lessor's tenants for all actual damages to cattle, crops, grasses, buildings, livestock, fences, tanks, water wells, and without limitation, all other property of Lessor situated on the surface of Said Land resulting from Lessee's operations on Said Land, within 180 days of such damage or may be replaced at Lessor's Option.

(i) Lessee, its agents, servants, employees, or independent contractors will not bring any firearms or dogs upon Said Land (or fire any such weapons) and shall order its employees not to hunt or fish on Said Land, and, insofar as Lessee is reasonably able to do so, to prevent any unauthorized party from hunting or fishing thereon. In this regard, it is understood and agreed by and between the parties hereto that this lease does not cover and include any right or privilege of hunting or fishing with or without firearms on Said Land, all hunting and fishing rights being expressly reserved unto Lessor. If this term is violated, Lessee agrees to pay Lessor One Thousand Dollars (\$1,000.00) for each violation by each violator.

(j) Lessee shall not allow any waste oil or salt water, drilling muds or fluids, or other harmful matter used in its operations to flow over the surface of Said Land, nor allow same to drain down in the creeks, rivers, ponds, tanks, draws, drains or ravines on Said Land, and any breach hereof shall obligate Lessee to pay to Lessor reasonable damages therefor within 120 days of said occurrences. Lessee shall defend, indemnify and hold Lessor harmless from and against any and all costs, losses, liabilities, damages, expenses, claims, suits and demands whatsoever, including court costs, expert fees and attorneys' fees, arising out of any environmental problems pertaining to Lessee's ownership of or operations on Said Land. In addition thereto, Lessee shall construct salt water collection facilities as shall be necessary to confine and dispose of the salt water and waste oil (and shall confine such waste oil and salt water to such collection facility) and to truck same away and off of Said Land.

(k) Notwithstanding anything stated anywhere in this lease to the contrary, Lessee shall pay Lessor, as surface damages, the following sums of money for the following activities:

<u>Type of Activities</u>	<u>Amount of Surface Damages</u>
Well locations (including tank Battery, compressor and Production facilities)	\$25,000/per location compressor or production facility
Skidding of rig	\$5.00/rod
New roads	\$20.00/rod
Geophysical operations	\$25.00/acre
Pipelines	\$20.00/rod

No activity listed above may be commenced until final approval for such operation has been received by Lessee from Lessor and the required damage payment has been made. The maximum number of acres paid per pad or well

site location shall be three (3). In the event that any pad has been completed for one (1) year and no well has been commenced, then Lessor may require either that the pad be reclaimed and the gravel stockpiled for Lessor's use or that the surface damages be paid each year until drilling commences. In the event that Lessee installs a compressor, Lessee agrees that the compressor station or site must include hospital grade mufflers.

19. It is agreed that any suits at law will be initiated in the District Court of the State of Texas in the county where Said Land is located, with appeals to the Appellate Courts of the State of Texas, and that the law of Texas will control in construing this lease. If Lessor is the prevailing party in any litigation in enforcement of this lease, Lessor will be entitled to recover from Lessee, in addition to any actual or exemplary damages, reasonable attorney's fees, court costs, investigation expenses, expert and accounting expenses, together with prejudgment interest thereon, as provided herein or at the highest rate provided by law, if there be no applicable interest specified herein.

20. Time is of the essence with respect to this agreement.

21. Lessee expressly understands, acknowledges and stipulates that the rights granted herein to Lessee shall be exercised by Lessee with due regard for the rights of the surface owners including, without limitation, due regard for the rights of surface development.

22. If Lessee, or any of Lessee's successors or assigns, shall voluntarily file for complete liquidation at any time under the federal bankruptcy statutes of this country or any other nation or country after the date Lessor executes this lease, then such filing shall result in the automatic termination of this lease, as of the date of such filing. If Lessee, or any of Lessee's successors or assigns, shall voluntarily file for a reorganization at any time under the federal bankruptcy statutes of this country or any other nation or country after the date Lessor executes this lease, then such filing shall not result in the automatic termination of this lease.

23. This lease supersedes all prior leases, understandings or agreements between Lessor and Lessee, their respective heirs or successors and assigns, and such prior agreements, understandings and/or leases are superseded by this lease as to Said Land.

24. Lessee hereby covenants and agrees to indemnify and defend (at Lessee's sole cost and expense) and hold Lessor harmless from any claims, causes of action or damages for any injury to any persons or property occasioned by, arising out of or resulting from Lessee's operations on Said Land, or in connection therewith, by Lessee, its agents, servants, employees, independent contractors, successors or assigns.

25. Lessee shall install and maintain all equipment and conduct all operations in an environmentally sound manner, in accordance with all applicable regulations of the Railroad Commission of Texas, The Texas Water Commission, the Environmental Protection Agency and any other federal or state governmental authorities. Lessee shall not use, store or dispose of any hazardous materials on Said Land and any such materials shall be used, stored and disposed of in a safe manner, in compliance with all applicable federal or state governmental regulations. Lessee shall insure that all contractors comply with the terms of this paragraph. In the event Lessee is notified of any environmentally harmful or dangerous conditions on Said Land resulting from Lessee's operations, Lessee shall promptly take all actions required to clean-up and correct such dangerous or harmful conditions, in accordance with applicable federal or state law and regulations and sound engineering practices. Lessor shall have no responsibility to inspect or oversee Lessee's operations or to identify or correct any potentially harmful, dangerous or damaging conditions, and Lessor shall have no right to control any details of Lessee's operations, nor to designate or control Lessee's contractors.

26. In the event a licensed attorney at law representing either Lessee, or a purchaser of production, renders a written opinion stating that there exists a bona fide dispute or question as to the ownership of royalty among Lessor and a third party, Lessee shall, within 90 days of Lessee's receipt of an original or a copy of such opinion, pay and deliver that portion of said royalty which is in dispute to a mutually agreeable Trustee; said portion to be retained by such Trustee pending resolution of the title dispute or question. While such disputed portion is retained by the Trustee, all of same shall be invested in an interest bearing account and the interest shall belong to, and become the property of, whomsoever is determined to be the correct and lawful owner thereof. In the event any terms or provisions of this lease reasonably give rise to a dispute or conflict concerning interpretation as to the calculation or determination of the amount of royalty payable to Lessor hereunder, or the proceeds from the sales of production attributable thereto, Lessee shall, within the above provided 90 day period, deliver or pay that portion of said royalty which is in dispute to a Trustee designated by Lessor; said portion to be retained by such Trustee pending resolution of such dispute or conflict. While such disputed portion is retained by the Trustee, all of same shall be invested in an interest bearing account and the interest shall belong to, and become the property of, whomsoever is determined to be the correct and lawful owner thereof.

27. Lessor and Lessee agree and acknowledge that this lease was prepared jointly by Lessor and Lessee and not by any one party to the exclusion of the other.

Accordingly, Lessor and Lessee agree that any rule of construction resolving any ambiguities against the drafting party shall be inapplicable to this lease.

IN WITNESS WHEREOF, this lease is executed by the undersigned on the respective dates set opposite their names below, but shall be effective as of the date first above written.

9-4-2008

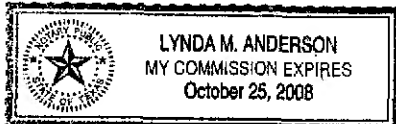
Velma Lewis  
VELMA LEWIS

9-5-2008  
Date

RANGE TEXAS PRODUCTION, L.L.C.  
By D. Neal Harrington  
D. NEAL HARRINGTON, VP  
[Print/Type Name, Title]

STATE OF TEXAS §  
COUNTY OF Dallas §

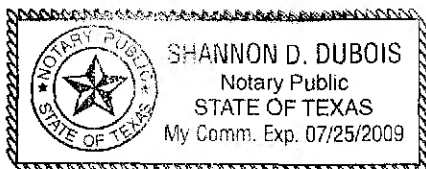
This instrument was acknowledged before me on this the 4<sup>th</sup> day of September, 2008, by VELMA LEWIS.



Lynda M. Anderson  
Notary Public in and for the State of Texas

STATE OF TEXAS §  
COUNTY OF Tarrant §

This instrument was acknowledged before me on this the 5 day of September, 2008, by D. Neal Harrington, as VP of RANGE TEXAS PRODUCTION, L.L.C., a Delaware limited liability company, on behalf of said company.



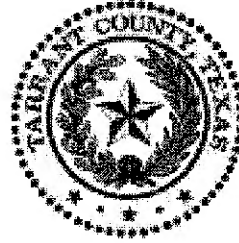
Shannon D. Dubois  
Notary Public in and for the State of Texas



Exhibit "A"  
to  
OIL AND GAS LEASE

72.75 acres of land, more or less, being a part of the James Bridgeman Survey, A-186, and described in that certain Correction Warranty Deed dated January 31, 1958, from J. W. Ragland to China Lewis and Johnnie McDonald, recorded in Volume 3424, Page 618 of the Deed Records of Tarrant County, Texas, reference to which deed is here made for all purposes.

Range Resources Corporation  
100 Throckmorton St., Ste. 1200  
Fort Worth, TX 76102



RANGE RESOURCES CORP  
100 THROCKMORTON 1200

FTW TX 76102

Submitter: LUKE A SHELTON

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SUZANNE HENDERSON  
TARRANT COUNTY CLERK  
TARRANT COUNTY COURTHOUSE  
100 WEST WEATHERFORD  
FORT WORTH, TX 76196-0401

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 09/09/2008 02:56 PM  
Instrument #: D208351656  
LSE 18 PGS \$80.00

By: \_\_\_\_\_



**D208351656**

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE  
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR  
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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